



DEPARTMENT OF THE NAVY

BUREAU OF MEDICINE AND SURGERY
2300 E STREET NW
WASHINGTON DC 20372-7300

IN REPLY REFER TO

BUMEDINST 7042.1A
BUMED-M82
9 Dec 2010

BUMED INSTRUCTION 7042.1A

From: Chief, Bureau of Medicine and Surgery

Subj: **USE OF APPROPRIATED FUNDS FOR CIVILIAN EMPLOYEE'S PROFESSIONAL BOARD CERTIFICATIONS AND LICENSES**

- Ref: (a) 5 U.S.C. 5757.1
(b) DON Civilian Human Resources Manual (CHRM), Subchapter 410
(c) BUMEDINST 6320.66E
(d) ASD(FMP) memo of 17 Jun 2002, Payment of Expenses to Obtain Professional Credentials (NOTAL)
(e) SECNAVINST 12273.1A
(f) ASN(M&RA) memo of 21 Mar 2003, Payment of Expenses for Academic Degrees and Professional Credentials (NOTAL)
(g) Section 1112 of the National Defense Authorization Act for Fiscal Year 2003, PL 107-107, Amending 5 USC 5757
(h) OPNAVINST 1540.56

1. **Purpose.** To revise and update guidance on the use of appropriated funds for civilian employee professional board certifications and licenses. Note that civilian professional credentials, which are deemed necessary or beneficial to employee's performance or official duties is in direct alignment with the Department of the Navy's (DON) human capital goals.

2. **Cancellation.** BUMEDINST 7042.1.

3. **Applicability.** This instruction applies to all Bureau of Medicine and Surgery (BUMED) Budget Submitting Office (BSO) activities. References (a) through (g) provide guidance for the use of appropriated funds for civilian personnel only. Active duty military members will follow the guidelines outlined in reference (h) for Navy Credentialing Programs.

4. **Background.** Reference (a) permits agencies to pay for employees to obtain professional credentials, including expenses for professional accreditation, State-imposed and professional licenses, and professional certification. Reference (a) also permits agencies to pay for membership fees for civilian employees in professional organizations when membership is required for licensure or certification. This authority is discretionary and not an entitlement or benefit.

5. **Definitions**

a. **Licensure.** The process by which an agency of (Federal, State, or local) government grants permission to an individual to engage in a given occupation upon finding that the applicant has attained the minimal degree of competency required to engage in that occupation.

b. Certification. Recognition given to individuals who have met predetermined qualifications set by an agency of government, industry, or profession.

6. Policy. Payment and/or costs associated with obtaining and renewing professional credentials including professional accreditation, State-imposed professional licenses, professional certifications, and examination are in support of the DON's human capital goals. Subject to the availability of funds, an activity may pay for credentials and licenses that are necessary or beneficial for the employee in the performance of his or her official duties using appropriated funds.

a. Per reference (b), this authority will be implemented in a manner consistent with merit system principles and where the credentials, licenses, and/or certification:

(1) Enhances productivity.

(2) Improves performance.

(3) Maximizes recruitment opportunities, especially for shortage category occupations, and other labor market conditions.

(4) Increases retention, especially for "high turnover" career fields.

(5) Broadens and develops the skill base for a quality work force to accomplish the DON's mission and ensure readiness.

(6) Supports civilian leadership development initiatives and career path improvements to meet future requirements.

b. As with all expenditures of appropriated funds, any credentials, licenses, and/or certifications paid for using this authority must meet the "necessary expense" rule for the availability of appropriations as to purpose, time, and amount.

c. BUMED BSO activities' approving officials are responsible for documenting the use of this authority per reference (b).

d. Direct-hire local national employees are also eligible to obtain licenses and credentials using appropriate funds; however, indirect-hire local nationals, who are employed under another country's civil service system, are ineligible. Payment of certification expenses for a non-appropriate fund employee should be made from the funds used to pay other benefits to that employee.

e. Payment for licenses and certifications, and their subsequent renewals, may include, at the discretion of the activity, such additional expenses as dues or fees required by the licensing or

certifying agency, fees for preparation for examinations, examinations, registration fees, and travel and per diem costs. Payment may not include employees' membership fees in societies or associations unless it is required for licensure or certification.

f. Payment can be made on a reimbursable basis upon receipt of the credentials and/or proof of the license. Reimbursement shall be through the completion of Standard Form 1164, Claim for Reimbursement for Expenditures on Official Business. Where required, BUMED activities will follow internal procedures for preapproval of reimbursement.

g. Payment can be made for both medical and non-medical professional credentials, State-imposed professional licenses, and/or professional certifications as deemed appropriate.

h. Payment can be made for eligible personnel for participation in examinations considered essential.

i. Appropriated funds may not be used to pay fees associated with obtaining and maintaining basic qualifying licenses or credentials. These are conditions of employment and the responsibility of the individual.

j. No payment can be made on behalf of employees occupying Schedule C and non-career (political) Senior Executive Service positions.

k. Any collective bargaining obligations must be satisfied prior to implementation of this instruction.

7. Responsibilities. BUMED BSO activities will use the following guidelines for use of appropriated funds to pay expenses to obtain professional credentials:

a. Plan, program, budget, operate, and evaluate program(s) per references (a) through (g).

b. Ensure funding, assess effectiveness of the program, and report program data as outlined in reference (b).

c. Establish a cost-effective training infrastructure using a combination of in-house resources, outsourcing, and partnerships.

d. Integrate employee training, education, and development into their strategic planning process to ensure its contribution to mission accomplishment and performance goals.

e. Create an environment that supports continuous learning and organizational development.

f. Issue internal procedures that comply with merit system principles.

g. Implement training and educational development programs including wage-grade, career, and leadership development programs.

8. Verification of Board Certifications/Credentialing

a. BUMED BSO activities with health care providers in disciplines that require license and board certification must verify that these health care providers' board certifications and licenses are valid and maintained.

b. BUMED BSO activities must ensure that health care provider's credentials have been evaluated before granting clinical privileges or assigning patient care responsibilities per reference (c). In addition, an authentic document must be obtained, confirmed, and verified from the primary issuing source. Confirmation received must be independent from the health care provider.

9. Form. Standard Form 1164 (Rev. 11-77), Claim for Reimbursement for Expenditures on Official Business is available electronically at: <http://www.gsa.gov/portal/forms/type/SF>.


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